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TRADE AND DEVELOPMENT BOARD

Tenth special session

SUMMARY RECORD OF THE 517th MEETING

held at the Palais des Nations, Geneva,
on Tuesday, 27 March 1979, at 11.05 p.m.

President: Mr. CASTELLANOS (Venezuela)

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The meeting was called to order at 11.05 p.m.

PROCEDURAL MATTERS (agenda item 1) (continued)

(d) ADOPTION OF THE REPORT ON CREDENTIALS (TD/B/737)

1. The report of the Bureau on Credentials (TD/B/737) was adopted.

CONSIDERATION OF PROPOSALS FOR ACTION BY THE CONFERENCE AT ITS FIFTH SESSION (agenda item 2) (continued)

Economic co-operation among developing countries (item 7 of the provisional agenda of the Conference)

2. The PRESIDENT drew attention to operative paragraph 7 of General Assembly resolution 33/195 requesting the Secretary-General of UNCTAD to continue consultations with a view to submitting recommendations to the Board on organizing and convening meetings during 1979, as appropriate, of governmental experts of developing countries and representatives of intergovernmental economic co-operation groupings of developing countries in order to promote the objectives of sub-regional, regional and interregional economic co-operation among developing countries.

3. Mr. COREA (Secretary-General of UNCTAD) informed the Board that he had held consultations with the co-ordinators of the various groups and had learned that the latter were still actively considering the issues relevant to the problem. It had not been possible at the present stage to propose any particular solutions, and he was therefore not in a position to make specific recommendations to the Board at the present session. It seemed to be generally expected, however, that the subject would be taken up at UNCTAD V, and he hoped that a satisfactory solution would be found to what was a very important question.

4. The PRESIDENT suggested that the Board should note the oral report by the Secretary-General of UNCTAD.

5. It was so decided.

OTHER BUSINESS (agenda item 3) (continued)

(a) REPORTS OF MAIN COMMITTEES, INTERGOVERNMENTAL AND EXPERT BODIES

Report of the Ad Hoc Intergovernmental Group on Container Standards for International Multimodal Transport on its second session (TD/B/734-TD/B/AC.20/16)

6. The PRESIDENT suggested that the Board should note the report and transmit it to the Economic and Social Council.

7. It was so decided.

8. The PRESIDENT drew attention to a draft decision he had submitted (TD/B/L.528) pursuant to consultations with the co-ordinators of the different groups. He invited the Board to adopt the decision to remit to the Committee on Shipping the question of container standards for regular review and for examination of the question of drawing up a flexible international agreement.

9. It was so decided.

10. Mr. WISLEIN (United Kingdom), speaking also on behalf of the United States of America, said that both delegations had doubts as to the desirability, practicability or even appropriateness of such an instrument and would like the Committee on Shipping in considering the question to take note of their concern. Other governmental and non-governmental organizations, in particular the International Standards Organization, were active in the field of container standards, and any decisions on that subject by the Committee on Shipping or the Board should take careful note of the ongoing work of those organizations.

11. The PRESIDENT said that the statement would be noted.

CONSIDERATION OF PROPOSALS FOR ACTION BY THE CONFERENCE AT ITS FIFTH SESSION (agenda item 2) (resumed)

Monetary and financial issues (item 12 of the provisional agenda of the fifth session)

12. The PRESIDENT drew attention to paragraph 45 of the report of the Committee on Invisibles and Financing related to Trade on the second part of its eighth session (TD/B/C.3(VIII)/Misc. 6), in which the Committee took note of the report of the Group of Governmental Experts on the concepts of the present aid and flow targets on its third session (TD/B/646). Since the Committee had been unable to agree on the tasks to be performed by the Group of Experts at its fourth session, it had recommended that the Board examine the question at the present session. The Board might wish to discuss document TD/B/646 at its nineteenth session.

13. It was so decided.

14. The PRESIDENT drew attention to chapter I of the report of the Intergovernmental Group of Experts on Debt and Development Problems of Developing Countries (TD/B/730), concerning the elaboration of detailed features for future operations relating to debt problems of interested developing countries, and to the informal note by the Chairman contained in the annex to that document. He invited the Board to refer the report to UNCTAD V for consideration under the appropriate item of its agenda.

15. It was so decided.

16. Mr. BANKS (New Zealand) informed the Board that in accordance with Board resolution 165 (S-IX) her Government had decided to cancel outstanding loans that could be classed as Official Development Assistance. The nine loans in question had a nominal value of NZ $ 5.2 million and a current value of $NZ 3.4 million. That sum might appear modest, but they were loans, and her country's aid was always given in the form of grants.

17. The PRESIDENT suggested that the Board should note the information given by the New Zealand representative with great appreciation. It would be welcomed by the whole international community.

18. It was so decided.

Technology (item 13 of the provisional agenda of the fifth session)

19. The PRESIDENT invited the Board to take note of resolution 7 (II) of the Committee on Transfer of Technology at its second session and to endorse the recommendations contained in paragraphs 3, 4 and 5, bearing in mind General Assembly resolution 33/151.

20. It was so decided.

OTHER BUSINESS (agenda item 3) (resumed)

(c) REVIEW OF THE CALENDAR OF MEETINGS (continued) (TD/B/L.525)

21. Mr. BERTHOUD (Director, Division for Programme Support Services) informed the Board that because of difficulties experienced by a number of delegations, it was proposed to change the dates for the meeting of the Interim Committee established by the United Nations Negotiating Conference on a Common Fund under the Integrated Programme for Commodities from 20 to 31 August 1979, the dates agreed at the previous meeting, to 3 to 14 September 1979. In the case of the Fourth Preparatory Meeting on Cotton and Cotton Yarns, where there was also the possibility of difficulties, it was proposed to retain the dates 9 to 13 July fixed by the Ad hoc Intergovernmental Committee at its eighth session but to add the following footnotes: "Date to be reviewed if necessary through consultations under Board resolution 140 (XVI)."

22. The PRESIDENT suggested that the Board should take note of the further changes in the calendar of meetings as approved at its 516th plenary meeting.

23. It was so decided.

CONSIDERATION OF PROPOSALS FOR ACTION BY THE CONFERENCE AT ITS FIFTH SESSION (agenda item 2) (resumed)

Wording of item 17 of the provisional agenda of the Conference

24. The PRESIDENT invited the Board to adopt the following wording, proposed as a result of consultations: "Trade relations among countries having different economic and social systems and all trade flows resulting therefrom. Appropriate bilateral and multilateral action to expand and diversify further the trade flows among these countries and, in particular, measures which would contribute to the development of developing countries."

25. It was so decided.

Outline by the Rapporteur of agreed conclusions relating to the organization of the work of the fifth session of the Conference

26. The PRESIDENT invited the Board to consider the conclusions which had been circulated in an unnumbered working paper. The conclusions included the constitution of a Bureau of 35 members and the regional distribution of those members; the establishment of eight negotiating groups and the regional distribution of their chairmen and vice-chairmen respectively, and the assignment of the items of the provisional agenda to the negotiating groups.

27. The Board approved the agreed conclusions.

Statement by the representative of Viet Nam

28. Mr. TRUONG QUANG PHUC (Viet Nam) said that the crisis in the world capitalist economies were having a disastrous effect on the economies of the developing countries, which were already suffering from balance of payments deficits, ever-increasing debts and restrictions imposed by the developed countries' protectionist policies. The transnational corporations were gaining an increasing hold on the developing countries, creating a serious obstacle to the struggle for economic independence, and were now trying to change the transfer of technology into a kind of trade in goods, so that the work on an international code of conduct on that subject was unlikely to achieve the results hoped for.

29. The Negotiating Conference on a Common Fund which had just ended had achieved some results, but as yet they were on paper only. It would be a long time before even the objectives of UNCTAD IV were fully achieved. The principle of collective self-reliance adopted at Arusha was a sound one. In recent years many developing countries had made great economic and social progress, mainly through their own efforts but also with the co-operation of other developing countries and by expanding co-operation with the developed countries as part of the general effort to establish a new international economic order.

30. A number of countries had concentrated their efforts and resources in key branches of the economy, agricultural and industrial, with a view to raising the material and cultural standards of their people. The fact that the planned economy countries were carrying out their economic and social development mainly in the nationalized sector and in training scientific and technical experts was a matter of constant interest to the developing countries.

31. After 30 years of war, the people of Viet Nam longed for peace so that they could concentrate on rebuilding their country and overcoming the effects of the war. They were doing everything possible to build an independent, sovereign economy and to provide a better life for their people. But now once again they were having to take up arms to defend themselves against aggression. As everyone was aware, the reactionary authorities of Peking were pursuing a policy of expansion and hegemony and ceaselessly provoking tension which impeded economic development in many Asian

countries. Now they had started actual aggression against his country with the aim of subjugating it, sabotaging peace and stability in South-East Asia and in the whole world, and endeavouring with the help of military might to destroy the whole economic fabric built up as a result of the economic and social development of the border provinces.

32. His country wished to make an urgent appeal to public opinion not to ignore the grave dangers to peace and development in the South-East Asia region and to reflect on what could happen elsewhere.

33. Mr. LI Chih-min (China), speaking in exercise of the right of reply, said that since the representative of Viet Nam had raised political issues and made a violent attack against China, his delegation was reluctantly compelled to rebut them. China, a developing socialist country with a still comparatively backward economy, required a peaceful international environment in order to build up the country rapidly. It did not want war or other people's territory; but it would not tolerate wanton incursions into Chinese territory such as the Vietnamese authorities, abetted by their master, continued to carry out in the border area, creating havoc and tension.

34. In the face of these attempts to undermine China's socialist construction and modernization, his Government had long exercised restraint and had given repeated warnings. But the Vietnamese authorities, confident in the backing of their master behind the scenes, had regarded forbearance as weakness, and his country had finally been compelled to take action. The defensive counter-attack against the Vietnamese aggressors had been an entirely justified act. China had long since declared its intention to withdraw all its troops from Viet Nam and had now done so. The forced act of self-defence had won sympathy and understanding from many justice-loving countries, and no amount of slander or distortion would be of any avail.

35. Mr. GANEV (Bulgaria), speaking on behalf of the socialist countries, said that the invasion of Viet Nam by Chinese troops was contrary to United Nations principles and a gross violation of international law which had demonstrated to the whole world the truth of Peking's policy of hegemony in South East Asia. Such action was a threat not only to the Vietnamese people but to the whole of mankind at variance with the interests of countries which had liberated themselves and undermining the foundations of international relations, including economic and trade relations. The attack on the Socialist Republic of Viet Nam had shown the true worth of the Chinese Government's declarations on protecting the interests of small and medium-sized countries whose champion China professed to be.

36. The heroic Vietnamese people had repulsed the Chinese aggression, with help from the socialist countries. The interests of world peace called for the immediate and unconditional withdrawal of Chinese troops from Vietnamese territory and renunciation by the Peking leaders of all encroachment on territorial integrity. He believed that the Chinese people, no less than any other people, needed peace, not war.

37. Mr. LLANES (Cuba) firmly supported the statement made by the representative of Viet Nam. It was common knowledge that Viet Nam was the victim of aggression by the reactionary Government of China, and he expressed his country's solidarity with the Vietnamese people and Government.

44. Mr. CLEAVE (Bermuda) expressed support of the rights of the Vietnamese people, who had fought to defend their country against American and other foreign aggression. The aggressive acts carried out by Peking threatened peace in the world and the development of economic and trade relations. The representative of China had stated that his country had withdrawn all its troops from Viet Nam, but the world press affirmed the contrary and in Geneva called for their immediate unconditional withdrawal. He wished to accept the country's solidarity with the Socialist Republic of Viet Nam and other socialist countries.

45. Mr. LI Chi-lin (China) considered that those countries which had expressed solidarity with Viet Nam's aggression were accomplices of the aggressors, and their statements were not worthy of refutation.

ADOPTION OF THE REPORT OF THE BOARD (agenda item 7)(TD/B/L.307/Add.1, 2, and 3)

46. Mr. NOSSAL (Iran), Rapporteur, introducing the draft report, said that its format followed closely that of reports of similar sessions of the Board held before the Delhi conference, while incorporating modifications to reflect the Board's discussions at its tenth special session. The report would be completed by an account of the final plenary session. He expressed his appreciation of the help given to him by delegations and by the secretariat.

47. [illegible].

48. The PRESIDENT expressed his gratitude on behalf of the Board to the members of the staff and to the co-ordinators of regional groups for their invaluable help.

49. Mr. GANEV (Bulgaria), speaking on behalf of Group D, noted with satisfaction that a majority of delegations appreciated the intensive efforts made by countries in Group D to bring about movement on the agenda and organizational matters relating to UNCTAD V. The delegations of the socialist countries would participate actively in the work of the fifth session in the interests of the restructuring of world economic relations, the elimination of all forms of economic discrimination and the strengthening of relations with developing countries.

50. Under item 4 of the provisional agenda for UNCTAD V, the countries in Group D would submit a document on the evaluation of trends in the development of world economy and trade, and he hoped that the secretariat would issue it as an official document before the opening of the Conference session. UNCTAD V should discuss trade flows between the socialist and developing countries, as well as between socialist and developed capitalist States, since they were inter-related.

51. On behalf of Group D, he thanked the President for his constructive guidance.

52. Mr. MATTHIAS (Federal Republic of Germany), speaking on behalf of Group B, said that the tenth special session had laid the groundwork for a successful Conference at Manila. The Board had worked in a spirit of co-operation, and agreement had been reached on organizational questions after difficult discussions. The successful outcome of the session was largely due to the President and the Secretary-General of UNCTAD, and also to Mr. Brillantes.

7. Mr. PHILIPPINES (Philippines), speaking as the representative of the host country for UNCTAD V, expressed the appreciation of the Government and people of the Philippines for the confidence shown in its Government in naming [illegible] country would provide all the facilities necessary to ensure the success of the outcome. The decision of the Board had already solved some organizational problems, and that did credit both to delegations and to the Secretariat. The Conference would be faced with overcoming [illegible] and he was confident that they [illegible].

8. Mr. CHAO Kang-po (China) thanked the President for the personal efforts which had enabled agreement to be reached on organizational questions. His Chinese delegation would do its utmost to ensure the success of UNCTAD V in every [illegible] believed that closer co-operation would help to solve the world's problems.

9. The PRESIDENT declared the [illegible] session of the Board closed.

The meeting rose at [illegible].